

*Annual Report of*  
**Matachewan Consolidated Mines,  
Limited**



*For the Year Ended December 31, 1975*

ANNUAL MEETING JUNE 22, 1976

# Matachewan Consolidated Mines, Limited

## DIRECTORS

PAUL H. McCLOSKEY, M.C., B.Sc.  
H. P. McCLOSKEY  
A. D. HELLENS, M.C., B.Sc.  
D. W. FALCONER, Q.C.  
R. DUNCAN McCLOSKEY, M.B.A., B.Sc.

## OFFICERS

*President* ..... PAUL H. McCLOSKEY  
*Vice-President* ..... H. P. McCLOSKEY  
*Secretary* ..... D.W. FALCONER  
*Treasurer* ..... S. CZARNECKI

## TRANSFER AGENT AND REGISTRAR

CROWN TRUST COMPANY, Toronto, Ontario

## AUDITORS

CLARKSON, GORDON & CO., Toronto, Ontario

## HEAD OFFICE

Room 1110, 55 Yonge St., Toronto, Ont. M5E 1J4

The Annual Meeting of the Shareholders of the Company will be held in the Head Office, Suite 1110 — 55 Yonge St., Toronto, on Tuesday, June 22, 1976, at the hour of 9:30 o'clock in the forenoon (Toronto Time).

# Matachewan Consolidated Mines, Limited

## *Directors' Report*

TO THE SHAREHOLDERS:

There were no significant changes in the overall financial position of the Company in the 1975 fiscal year.

No specific exploration or development projects were engaged in during the year but all properties were kept in good standing with a view to future studies and/or work commitments.

On behalf of the Board,

P.H. McCLOSKEY,

President.

Toronto, Ontario,  
May 19, 1976.



# Matachewan Conso

(Incorporated un

## Balance Sheet —

(with comparative fig

### ASSETS

	<u>1975</u>	<u>1974</u>
<b>Current:</b>		
Cash and short-term deposits . . . . .	\$ 74,287	\$118,874
Marketable securities, at cost (market value 1975—\$91,200; 1974—\$62,779) (note 3) . . . . .	<u>78,981</u>	<u>32,793</u>
	<u>153,268</u>	<u>151,667</u>
 <b>Investments, at cost:</b>		
Securities having a quoted market value (1975—\$85,006; 1974—\$77,232) (notes 2 and 3) . . . . .	191,702	191,702
Securities not having a quoted market value, less amounts written off . . . . .	<u>2,696</u>	<u>2,696</u>
	<u>194,398</u>	<u>194,398</u>
 <b>Mining properties:</b>		
Mining claims . . . . .	41,003	40,503
Property and equipment . . . . .	<u>1</u>	<u>1</u>
	<u>41,004</u>	<u>40,504</u>
	<u>\$388,670</u>	<u>\$386,569</u>

(See acco

### AUDIT

To the Shareholders of  
Matachewan Consolidated Mines, Limited:

We have examined the balance sheet of Matachewan Consolidated M changes in financial position for the year then ended. Our examination included other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial pos changes in its financial position for the year then ended, in accordance with g preceding year.

Toronto, Canada,  
March 1, 1976.

# ated Mines, Limited

(laws of Ontario)

December 31, 1975

(December 31, 1974)

## LIABILITIES

	<u>1975</u>	<u>1974</u>
<b>Current:</b>		
Accounts payable .....	\$ 484	\$ 261
 <b>Shareholders' equity:</b>		
Capital stock —		
Authorized:		
7,000,000 shares of no par value		
Issued:		
5,923,250 shares .....	1,179,433	1,179,433
Deficit .....	<u>(791,247)</u>	<u>(793,125)</u>
	<u>388,186</u>	<u>386,308</u>
 On behalf of the Board:		
..... <i>P.H. McCLOSKEY</i> ..... Director.		
..... <i>D.W. FALCONER</i> ..... Director		
	<u>\$388,670</u>	<u>\$386,569</u>

(g notes)

PORT

ited as at December 31, 1975 and the statements of income and deficit and  
l review of the accounting procedures and such tests of accounting records and

the company as at December 31, 1975 and the results of its operations and the  
accepted accounting principles applied on a basis consistent with that of the

CLARKSON, GORDON & CO.,  
Chartered Accountants.

# Matachewan Consolidated Mines, Limited

## *Statement of Income and Deficit*

For the Year Ended December 31, 1975

(with comparative figures for the year ended December 31, 1974)

	<u>1975</u>	<u>1974</u>
Revenue:		
Interest income . . . . .	\$ 8,468	\$ 9,747
Dividends . . . . .	5,218	5,000
Gain on sale of investments . . . . .	519	1,409
Sundry income . . . . .	<u>1,780</u>	<u>          </u>
	<u>15,985</u>	<u>16,156</u>
Expenses:		
Office and corporate . . . . .	9,121	8,663
Licences and taxes . . . . .	2,458	1,726
Legal and audit . . . . .	2,528	1,576
Deferred development and exploration costs and mining claims written off . . . . .	<u>          </u>	<u>9,855</u>
	<u>14,107</u>	<u>21,820</u>
Net income (loss) for the year . . . . .	1,878	(5,664)
Deficit, beginning of year . . . . .	<u>793,125</u>	<u>787,461</u>
Deficit, end of year . . . . .	<u><u>\$791,247</u></u>	<u><u>\$793,125</u></u>

(See accompanying notes)



# Matachewan Consolidated Mines, Limited

## *Statement of Changes in Financial Position*

For the Year Ended December 31, 1975

(with comparative figures for the year ended December 31, 1974)

	<u>1975</u>	<u>1974</u>
<b>Working capital was provided from:</b>		
Operations —		
Net income (loss) for the year . . . . .	\$ 1,878	\$ (5,664)
Add (deduct) charges (credits) not resulting in a flow of funds:		
Deferred development and exploration costs		
and mining claims written off . . . . .		9,855
Gain on sale of long-term investments . . . . .		(2,723)
	<u>1,878</u>	<u>1,468</u>
Receipt of dividend applied against cost of investments . . . . .		53,760
Proceeds from sale of investments . . . . .		43,237
	<u>1,878</u>	<u>98,465</u>
 <b>Working capital was applied to:</b>		
Purchase of mining claims . . . . .	500	500
Purchase of investments . . . . .		104,317
	<u>500</u>	<u>104,817</u>
Total working capital applied . . . . .		
	<u>1,378</u>	<u>(6,352)</u>
Increase (decrease) in working capital . . . . .		
Working capital, beginning of year (note 3) . . . . .	151,406	157,758
Working capital, end of year . . . . .	<u>\$152,784</u>	<u>\$151,406</u>
 <b>Represented by:</b>		
Current assets . . . . .	\$153,268	\$151,667
Less current liabilities . . . . .	484	261
	<u>\$152,784</u>	<u>\$151,406</u>

(See accompanying notes)

# Matachewan Consolidated Mines, Limited

## *Notes to Financial Statements*

December 31, 1975

1. **Significant accounting policies**

(a) *Marketable securities and investments –*

Those securities which are considered to be held for long-term purposes are recorded as long-term investments. All other securities are recorded as marketable securities. Both are recorded at cost unless in the opinion of management there has been a permanent decline in the value of the security. Gain or loss on disposals is determined on an average cost basis.

(b) *Mining claims –*

Mining claims are recorded at cost and are written off at such time as the related properties are abandoned.

(c) *Property and equipment –*

Property and equipment no longer used for operations is recorded at nominal value.

2. **Investment in Madsen Red Lake Gold Mines, Limited**

Securities having a quoted market value include 155,700 shares of Madsen Red Lake Gold Mines, Limited carried in the accompanying financial statements at a cost of \$177,454 which, at December 31, 1975 is \$102,718 in excess of quoted market value. No provision for decline in value of this investment has been made in these financial statements since management is of the view that there has not been a permanent decline in the value to the company of the investment.

3. **Reclassification of 1974 figures**

Certain marketable securities with a cost of \$21,615 included in 1974 in long-term investments have been reclassified as current assets during 1975 and the 1974 comparative figures have been restated to conform with the 1975 classification. Accordingly, working capital at December 31, 1974 has been increased from the amount previously reported by \$21,615.

4. **Remuneration of directors and senior officers**

The aggregate direct remuneration paid by the company to its directors and senior officers (as defined by The Business Corporations Act, Ontario, to include the five highest paid employees of the company) for the year ended December 31, 1975 was \$2,853 (1974 – \$2,484).